

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
AGENDA ID#18143
ENERGY DIVISION
5017
RESOLUTION E-

February 27, 2020

R E S O L U T I O N

Resolution E-5017. Pacific Gas and Electric Company (PG&E) deviations to Net Energy Metering (NEM) forms pursuant to Assembly Bill (AB) 327 (NEM Successor or NEM 2.0) for the California Department of Corrections and Rehabilitation (CDCR).

PROPOSED OUTCOME:

- This Resolution approves deviations to PG&E Forms 79-978B, 79-992A, and 79-978C applicable to CDCR.
- Approves PG&E Advice Letter 5545-E-A, and grants the relief requested by PG&E in this Advice Letter.

SAFETY CONSIDERATIONS:

- The proposed deviations are only necessary to implement NEM 2.0 to CDCR by AB 327 and do not entail any safety considerations.

ESTIMATED COST:

- Proposed deviations to PG&E Forms 79-978B, 79-992A, and 79-978C support the NEM 2.0 program per AB 327, but entail no net costs to ratepayers.

By Advice Letters (AL) 5545-E, filed on May 17, 2019.

By AL 5545-E-A, filed on August 8, 2019, to replace the original advice letter AL 5545-E in its entirety.

SUMMARY

Pacific Gas and Electric Company (PG&E) requests approval of deviations to PG&E Forms 79-978B, *Single Party Interconnection Agreement for Net Energy Metering of Solar or Wind Electric Generating Facilities of More than 1,000 KW and*

Less Than 8,000 KW – for The Use of The California Department of Corrections and Rehabilitations Only; 79-992A, Multi-Party Host Customer Generation Agreement (3rd Party Generator on Premises) – for the Use of The California Department of Corrections and Rehabilitation Only; and 79-978C, Multi-Party Producer¹ Customer Generation Agreement (3rd Party Generator on Premises) – for Use by The California Department of Corrections and Rehabilitation Only. The proposed deviations are found to complete the implementation of NEM 2.0 for CDCR by AB 327 and are approved.

BACKGROUND

On June 20, 2014, Governor Brown signed SB 862 into law, which, in part, allowed CDCR to qualify as a NEM-eligible customer-generator in PU Code §2827(b)(4)(B) when using a renewable electrical generation technology, or combination of technologies, with a total capacity of not more than 8 MW.

PG&E submitted AL 4617-E on April 16, 2015, to propose revisions to relevant PG&E tariffs to implement the modifications made to PU Code §2827 by SB 862, specifically, Electric Schedule NEM, *Net Energy Metering Service* and Electric Rule 21 tariff, *Generating Facility Interconnections*. AL 4617-E was approved on May 8, 2015.

PG&E filed AL 4724-E on October 16, 2015, to seek approval of deviations to PG&E Forms 79-978 and 79-992 in order for CDCR to fully utilize the unique provisions of SB 862. In PG&E AL 4617-E, PG&E recognized that, as an NEM-eligible customer generator, CDCR should execute an NEM Interconnection Agreement (IA) when interconnecting Renewable Electrical Generating Facilities (REGFs) under the provisions of SB 862. However, PG&E acknowledged that deviations would be needed to PG&E's standard NEM IA because of the specific study and cost responsibility provisions enacted by SB 862.

Form 79-978 is PG&E's standard NEM IA for customer-generators to interconnect and operate a solar or wind electric generating facility between 30 and 1,000 kilowatts in parallel with PG&E's distribution system. PG&E

¹ A producer utilizes CDCR's electrical facilities to interconnect and operate its respective generating facility in parallel with PG&E's distribution system.

requested deviations to Form 79-978 that would be applicable solely to CDCR; and implemented these changes as Form 79-978B for Single Party Agreement and Form 79-978C for producers in a multi-party producer arrangement at a CDCR facility. PG&E also requested deviations to PG&E Form 79-992, *Customer Generation Agreement (Third Party Generator on Premises Non-Exporting)*, applicable solely to CDCR as necessary to enable a multiple third-party producer arrangement at a CDCR facility. AL 4724-E was approved by the Commission on December 3, 2015, per Resolution E-4753.

Assembly Bill (AB) 327 (Perea), Stats. 2013, Ch. 611 was adopted into law on October 7, 2013, to implement the NEM successor tariff (referred to in this resolution as NEM 2.0). On July 10, 2014, Order Instituting Rulemaking (OIR) 14-07-002 ("NEM Successor OIR") was issued by the Commission to address the legislative direction given by Public Utilities Code Section 2827.1 to develop a successor to the NEM program authorized in Section 2827. On December 16, 2016, NEM 2.0, became effective for PG&E.² PG&E filed AL 4980-E on December 16, 2016, to give notice PG&E had reached its NEM program enrollment cap and to implement NEM 2.0 tariff.

PG&E filed AL 5545-E on May 17, 2019, to modify existing interconnection agreements for CDCR to reflect NEM 2.0. PG&E stated in AL 5545-E that CDCR has approached them with its first new projects since NEM 2.0 became effective. Accordingly, PG&E submitted updates in this AL to modify existing CDCR's

² Ordering Paragraph 7 of D.16-06-040 in R.14-07-002 requires that "[n]ot later than one business day after the total megawatts (MW) of systems in the service territory of Pacific Gas & Electric Company (PG&E) that have received Authorization to Operate under the tariff authorized by Pub. Util. Code § 2827 (Section 2827 tariff), is equal to the capacity cap of 2409 MW set by Pub. Util. Code § 2827(c)(4)(B)(iii), PG&E must post in the Net Energy Metering (NEM) section of its web site notification that the capacity cap has been reached, and that the Section 2827 tariff is closed to new customers, except that customers who provided complete interconnection applications, including final building inspection reports, prior to PG&E reaching the capacity cap will be able to receive Authorization to Operate under the Section 2827 tariff. PG&E must also provide information that the tariff authorized by Pub. Util. Code § 2827.1, as implemented by Decision 16-01-044 (NEM successor tariff), is available immediately, and provide information about interconnection under the NEM successor tariff."

single-party and multi-party agreements to support the NEM 2.0 program, per SB 327.

On August 8, 2019, PG&E filed supplemental AL 5545-E-A that replaced the original AL in its entirety to correct typographical error and inconsistent text.

PG&E filed the necessary deviations of CDCR existing forms as a Tier 3 advice letter, pursuant to the provisions of G.O. 96B Energy Industry Rule §5.3(5).

NOTICE

Notice of AL 5545-E and AL 5545-E-A were made by publication in the Commission's Daily Calendar. PG&E states that a copy of the Advice Letters were mailed and distributed in accordance with Section 4 of General Order 96-B.

PROTESTS

Advice Letters 5545-E and 5545-E-A were not protested.

DISCUSSION

AL 5545-E-A included three deviated interconnection agreements: Form 79-978B-02, a single party agreement and Forms 79-992A-02 and 79-978C-02 for multiparty agreements.

These advice letter deviation forms were created from the existing submitted forms with the following changes:

I. Single Party Agreement – Form 79-978B-02 for CDCR

Deviation on Submitted Form 79-978B – renamed: Single Party Interconnection Agreement for Net Energy Metering of Solar or Wind Electric Generating Facilities of More than 1,000 KW and Less Than 8,000 KW – For the Use of The California Department of Corrections and Rehabilitations Only.

- Corrects typographical errors;
- Adds reference to PU Code 2827.1 for NEM 2.0 in Section 1;

- Updates the smart inverter requirement language in Section 2.9;
- Updates liability Insurance limit and related requirements in Section 11.1;
- Updates the mailing address for submitting required certificates, endorsements, or letters of self-insurance in Section 11.3; and
- Adds Appendix C to track project milestones.

II. Multiparty Agreements

Host Agreement – Form 79-992A-02 for CDCR

Deviation on Submitted Form 79-992A – renamed: Multi-Party Host Customer Generation Agreement (3rd Party Generator on Premises) – for the Use of The California Department of Corrections and Rehabilitation Only.

- Corrects typographical errors;
- Adds reference to PU Code 2827.1 for NEM 2.0 in Section 3.1; and
- Removes the smart inverter language in Section 3.7 (as it is not relevant to the Host agreement).

Producer Agreement – Form 79-978C-02 for CDCR

Deviation on Submitted Form 79-978C – renamed: Multi-Party Producer Customer Generation Agreement (3rd Party Generator on Premises) – For Use by The California Department of Corrections and Rehabilitation Only

- Corrects typographical errors;
- Adds reference to PU Code 2827.1 for NEM 2.0 in Section 1;
- Updates the smart inverter requirement language in Section 2.9;
- Updates parallel operation of generating facility language in Section 6.3;
- Updates liability Insurance limit and related requirements in Section 11;
- Updates the mailing address for submitting required certificates, endorsements, or letters of self-insurance in Section 11.6;

- Adds language to further indemnify PG&E from liability when a producer fails to comply with the insurance provisions in Sections 12.3 – 12.7; and
- Adds Appendix C to track project milestones.

The Commission agrees with the need for the proposed deviations in PG&E Form 79-978B-02, a single party agreement and Forms 79-978C-02 and 79-992A-02 for multiparty agreements. These changes to these agreements are necessary to implement NEM 2.0 under Electric Schedule NEM 2 for CDCR, track project milestones, and update customer-generator and producer liability insurance limits.

General Rule Section 9.2.3 of G.O. 96-B sets forth that an energy utility may provide service to a government agency under terms and conditions otherwise deviating from their tariffs, and may begin provision of such service without prior Commission approval, but requires the utility to promptly submit an advice letter to notify the Commission of the utility's provision of such service.

In sum, we find that PG&E 5545-E-A was appropriately filed according to General Rule Section 9.2.3 of G.O. 96-B. The deviations to PG&E Forms 79-978B, 79-992A, and 79-978C filed in PG&E AL 5545-E-A represent modifications to the provision of service applicable solely to CDCR, a state government agency, and serve to fully implement the NEM 2.0 provisions afforded CDCR by AB 327. For these reasons, the proposed deviations to PG&E Forms 79-978B, 79-992A, and 79-978C are approved.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this resolution must be served on all parties and subject to at least 30 days public review and 20 days comment period prior to a vote of the Commission. Section 311(g)(2) provides that this 30-day period may be reduced or waived upon the stipulation of all parties in the proceeding.

All parties in the proceeding have stipulated to reduce the 30-day waiting period required by PU Code section 311(g)(1) to 14 days. Accordingly, this matter will be placed on the first Commission's agenda 14 days following the mailing of this draft resolution. By stipulation of all parties, comments shall be filed no later than 14 days following the mailing of this draft resolution.

FINDINGS

1. PG&E 5545-E-A seeks approval of deviations to PG&E Forms 79-978B, 79-992A, and 79-978C in order for PG&E to implement NEM 2.0 provisions of AB 327 for CDCR.
2. Deviations to PG&E Form 79-978B, *Single Party Interconnection Agreement for Net Energy Metering of Solar or Wind Electric Generating Facilities of More than 1,000 KW and Less Than 8,000 KW for The Use of The California Department of Corrections and Rehabilitations Only* are necessary to implement NEM 2.0 at CDCR facilities.
3. Deviations to PG&E Form 79-992A, *Multi-Party Host Customer Generation Agreement (3rd Party Generator on Premises) – for the Use of The California Department of Corrections and Rehabilitation Only* are necessary to implement NEM 2.0 at a CDCR facility.
4. Deviations to PG&E Form 79-978C, *Multi-Party Producer Customer Generation Agreement (3rd Party Generator on Premises) – for Use by The California Department of Corrections and Rehabilitation Only* is necessary to implement NEM 2.0 at a CDCR facility.
5. PG&E 5545-E-A meets the requirements of General Rule Section 9.2.3 of GO 96-B, completes the implementation of NEM 2.0 for CDCR authorized by AB 327, and should be approved.

THEREFORE IT IS ORDERED THAT:

1. The request of Pacific Gas and Electric Company to update three existing deviated forms for the interconnection of generating facilities for the California Department of Corrections and Rehabilitation under Electric Schedule NEM 2 as requested in Advice Letter 5545-E-A is approved.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on February 27, 2020; the following Commissioners voting favorably thereon:

ALICE STEBBINS
Executive Director